



Do you have your NPI? National Provider Identifiers (NPIs) will be required on claims sent on or after May 23, 2007. Every health care provider needs to get an NPI. Learn more about the NPI and how to apply for an NPI by visiting <http://www.cms.gov/Regulations-and-Guidance/HIPAA-Administrative-Simplification/NationalProviderStand/index.html/NationalProviderStand/> on the CMS website.

MLN Matters Number: MM5382

Related Change Request (CR) #: 5382

Related CR Release Date: November 24, 2006

Effective Date: January 1, 2007

Related CR Transmittal #: R1118CP

Implementation Date: January 2, 2007

Note: This article was updated on October 31, 2012, to reflect current Web addresses. All other information remains unchanged.

Reasonable Charge Update for 2007 for Splints, Casts, Dialysis Supplies, Dialysis Equipment, and Certain Intraocular Lenses

Provider Types Affected

Physicians, suppliers and providers billing Medicare carriers, durable medical equipment regional carriers (DMERCs), DME Medicare Administrative Contractors (DME MACs), or Part A/B Medicare Administrative Contractors (A/B MACs) for splints, casts, dialysis supplies, dialysis equipment, and certain intraocular lenses.

Provider Action Needed

Affected providers may want to be sure their billing staff knows of these changes.

Background

Payment continues to be made on a reasonable charge basis for splints, casts, dialysis supplies, dialysis equipment and intraocular lenses in calendar year 2007 as required by regulations contained in 42 CFR 405.501 (<http://www.gpoaccess.gov/cfr/retrieve.html>).

For splints and casts, Q-codes are to be used when supplies are indicated for cast and splint purposes. Current Procedural Terminology (CPT) codes should be used as indicated in the CPT section "Application of Casts and Strapping" for the specified CPT procedure codes in the 29XXX series. This payment is in addition

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to the payment made under the physician fee schedule for the procedure for applying the splint or cast.

For intraocular lenses, payment is only made on a reasonable charge basis for lenses implanted in a physician's office. Change Request (CR) 5282 instructs your carrier, DMERC, DME MAC, or A/B MAC to compute 2007 customary and prevailing charges for the V2630, V2631, and V2632 (Intraocular Lenses Implanted in a Physician's Office) using actual charge data from July 1, 2005, through June 30, 2006.

Carriers, and A/B MACs will compute 2007 Inflation-Indexed Charge (IIC) amounts for the V2630, V2631, and V2632 that were not paid using gap-filled payment amounts in 2006.

DMERCs and DME MACs will compute 2007 customary and prevailing charges for the codes identified in the following tables using actual charge data from July 1, 2005, through June 30, 2006. For these same codes, they will compute 2007 IIC amounts for the codes identified in the following tables that were not paid using gap-filled amounts in 2006. These tables are:

Dialysis Supplies Billed With AX Modifier

A4216	A4217	A4248	A4244	A4245	A4246
A4247	A4450	A4452	A6250	A6260	A4651
A4652	A4657	A4660	A4663	A4670	A4927
A4928	A4930	A4931	A6216	A6402	

Dialysis Supplies Billed Without AX Modifier

A4653	A4671	A4672	A4673	A4674	A4680
A4690	A4706	A4707	A4708	A4709	A4714
A4719	A4720	A4721	A4722	A4723	A4724
A4725	A4726	A4728	A4730	A4736	A4737
A4740	A4750	A4755	A4760	A4765	A4766
A4770	A4771	A4772	A4773	A4774	A4802
A4860	A4870	A4890	A4911	A4918	A4929
E1634					

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Dialysis Equipment Billed With AX Modifier

E0210NU	E1632	E1637	E1639
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Dialysis Equipment Billed Without AX Modifier

E1500	E1510	E1520	E1530	E1540	E1550
E1560	E1570	E1575	E1580	E1590	E1592
E1594	E1600	E1610	E1615	E1620	E1625
E1630	E1635	E1636			

Carriers and A/B MACs will make payment for splints and casts furnished in 2007 based on the lower of the actual charge or the payment limits established for these codes. **Carriers, DMERCs and DME Medicare Administrative Contractors (MACs)** will use the 2007 reasonable charges or the same payment limits to pay claims for items furnished from January 1, 2007 through December 31, 2007. Those 2007 payment limits are in the table at the end of this article.

Additional Information

Instructions for calculating:

- Reasonable charges are located in chapter 23 (section 80) of the Medicare Claims Processing Manual (Pub. 100-04);
- Customary and prevailing charge are located in section 80.2 and 80.4 of chapter 23 of the Medicare Claims Processing Manual (Pub 100-04); and
- The IIC (Inflation Indexed Charge) are located in section 80.6 of chapter 23 of the Medicare Claims Processing Manual (Pub. 100-04). The IIC update factor for 2007 is 4.3 percent.

You can find chapter 23 of the Medicare Claims Processing Manual (Pub. 100-04) at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/clm104c23.pdf> on the CMS website:

For complete details, please see the official instruction issued to your carrier, DMERC, DME MAC, or A/B MAC regarding this change. That instruction may be found at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R1118CP.pdf> on the CMS website.

If you have any questions, please contact your carrier, DMERC, DME MAC, or A/B MAC at their toll-free number, which may be found on the CMS website at: <http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/provider-compliance-interactive-map/index.html> on the CMS website.

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2007 Payment Limits for Splints and Casts

Code	Payment Limit	Code	Payment Limit
A4565	\$7.19	Q4025	\$31.60
Q4001	\$40.91	Q4026	\$98.64
Q4002	\$154.63	Q4027	\$15.80
Q4003	\$29.39	Q4028	\$49.33
Q4004	\$101.74	Q4029	\$24.16
Q4005	\$10.83	Q4030	\$63.59
Q4006	\$24.42	Q4031	\$12.08
Q4007	\$5.43	Q4032	\$31.79
Q4008	\$12.21	Q4033	\$22.53
Q4009	\$7.23	Q4034	\$56.05
Q4010	\$16.28	Q4035	\$11.27
Q4011	\$3.61	Q4036	\$28.03
Q4012	\$8.14	Q4037	\$13.75
Q4013	\$13.16	Q4038	\$34.44
Q4014	\$22.21	Q4039	\$6.89
Q4015	\$6.58	Q4040	\$17.22
Q4016	\$11.10	Q4041	\$16.71
Q4017	\$7.61	Q4042	\$28.53
Q4018	\$12.14	Q4043	\$8.36
Q4019	\$3.81	Q4044	\$14.27
Q4020	\$6.08	Q4045	\$9.70
Q4021	\$5.63	Q4046	\$15.61
Q4022	\$10.17	Q4047	\$4.84
Q4023	\$2.83	Q4048	\$7.81
Q4024	\$5.08	Q4049	\$1.77

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